

September 28, 2001

VIA FEDERAL EXPRESS

Honorable Philip N. Asprodites
Commissioner of Conservation
Office of Conservation, State Land and Natural Resources Building
625 North Fourth Street, 1st Floor
Baton Rouge, Louisiana 70804

Re: Application of Wagner Oil Company

Savoie Sand, Reservoir B, Sand Unit A
11,500' Sand, Reservoir A, Sand Unit A
Vatican Field, Lafayette Parish, Louisiana

Our File: 3201-21139

APPLICATION IS HEREBY MADE on behalf of **Wagner Oil Company** to the Commissioner of Conservation for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an Order or Orders pertaining to the following matters relating to the Savoie Sand, Reservoir B and the 11,500' Sand, Reservoir A, in the VATICAN FIELD, Lafayette Parish, Louisiana:

SAVOIE SAND

1. To create a single drilling and production unit of approximately 103 acres for the Savoie Sand, Reservoir B, designated as the Savoie Sand RB SUA, Vatican Field, Lafayette Parish, Louisiana, all as shown more particularly on the attached plat;
2. To establish rules and regulations governing the exploration for and production of gas and condensate from the Savoie Sand, Reservoir B, in the Vatican Field, Lafayette Parish, Louisiana;
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit, with each tract sharing in unit production on a surface acreage basis of participation;

4. To designate Wagner Oil Company as the unit operator for the Savoie Sand RB SUA;
5. To designate the Wagner Oil Company—A. Arceneaux No. 1 Well, located in Section 33, Township 8 South, Range 4 East, Lafayette Parish, Louisiana, as the unit well for the Savoie Sand RB SUA; and
6. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Savoie Sand in the Vatican Field, Lafayette Parish, Louisiana, was previously defined in Office of Conservation Order No. 546-C, effective on and after May 10, 1966, as being that gas and condensate bearing sand encountered between the electric log depths of 11,428 feet and 11,490 feet in the Texaco Inc.—Fernand Clavelle et al Well No. 1, located in Section 32, Township 8 South, Range 4 East, Lafayette Parish, Louisiana.

11,500' SAND

1. To dissolve the 11,500' Sand RA SUA as established by Office of Conservation Order No. 546-D-1, effective on and after September 1, 1970, and to simultaneously therewith create a revised drilling and production unit of approximately 160 acres for the 11,500' Sand, Reservoir A, in the Vatican Field, Lafayette Parish, Louisiana, to be designated as the 11,500' RA SUA;
2. To establish rules and regulations governing the exploration for and production of gas and condensate from the aforesaid revised unit;
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed revised unit, with each tract sharing in production from the revised unit on a surface acreage basis of participation;
4. To designate Wagner Oil Company as the unit operator for the 11,500' Sand RA SUA;
5. To designate the Wagner Oil Company—A. Arceneaux No. 1 Well, located in Section 33, Township 8 South, Range 4 East, Lafayette Parish, Louisiana, as the unit well for the revised 11,500' Sand RA SUA; and
6. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

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The 11,500' Sand, Reservoir A, in the Vatican Field, Lafayette Parish, Louisiana, was previously defined in Office of Conservation Order No. 546-D, effective on and after November 1, 1968, as being that oil bearing sand encountered between the electric log depths of 11,488 feet and 11,504 feet in the Texaco Inc.—Thomas M. Miller et al Well No. 1, located in Section 33, Township 8 South, Range 4 East, Lafayette Parish, Louisiana.

In accordance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, the Commissioner of Conservation, the District Manager of the Lafayette District of the Office of Conservation and all Interested Owners, Represented Parties and Interested Parties then known to the applicant after a reasonable search were notified in writing in the Pre-Application Notice dated August 27, 2001 that a conference to discuss the proposed application was tentatively scheduled for 10:00 a.m. on Wednesday, September 19, 2001. It was stated at that time that this conference would be held only if a request to confer were received by the undersigned within ten (10) calendar days after the date of the Pre-Application Notice. No requests to confer were received either in writing or by telephone. A separate Notice to the Commissioner of Conservation and Others dated September 12, 2001 was sent notifying the Commissioner of Conservation and all parties and owners, who had received the Pre-Application Notice, that, in accordance with the Rules of Procedure, the tentatively scheduled conference would not be held.

Enclosed and made a part hereof are the original plats, that were attached to the Pre-Application Notice (that have not changed) outlining the proposed Savoie Sand, Reservoir B, Sand Unit A, and the 11,500' Sand, Reservoir A, Sand Unit A, Vatican Field, Lafayette Parish, Louisiana, and a revised list of the names and addresses of the Interested Owners, Represented Parties and Interested Parties to whom this notice is being sent. I hereby certified that a reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Pursuant to the Revised Rules of Procedure, a copy of the enclosed revised list of the names and addresses of the Interested Owners, Represented Parties and Interested Parties is not being mailed to those parties along with this application. Should any such party desire a copy of this list, however, we will be glad to provide one upon request.

Upon receipt of the Legal Notice in the captioned matter, the Legal Notice will be posted, published and mailed in accordance with Rule 7 of the Rules of Procedure.

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Any pertinent data relating to the proposed unit can be obtained, **AT THE COST OF THE REQUESTING PARTY**, from Mr. E. Holmes Smart, 200 Audubon Avenue, P. O. Box 51943, Lafayette, La, 70505 (337) 232-4031.

Finally, there is enclosed our firm's check on behalf of the Applicant, Wagner Oil Company, Inc., in the sum of \$700.00 made payable to the Office of Conservation representing the required application fee pursuant to Statewide Order 29-R-00/01.

As always, if you have any questions, please feel free to call me at your earliest convenience.

Thanking you in advance for your usual courtesies and cooperation, I remain,

Very truly yours,


Matthew J. Randazzo, III

MJR,III/
(Enclosures)

cc: (w/application, plats, and revised list of parties)
Mr. Richard D. Hudson
District Manager - Lafayette District

cc: (w/application and plats)

Interested Parties
Represented Parties
Interested Owners



